

**STATEMENT OF ACTUARIAL OPINION
MARTIN'S POINT GENERATION, LLC
ANNUAL STATEMENT AS OF DECEMBER 31, 2011**

I, Frank G. Edwards, Jr., ASA am a member of the American Academy of Actuaries (Academy) and am associated with the firm of INS Consultants, Inc. (INS). INS has been retained by the Maine Bureau of Insurance to render this opinion relative to the actuarial liabilities established for Martin's Point Generation, LLC (MPG) as of December 31, 2011. I meet the Academy Qualification Standards for rendering the opinion and am familiar with the valuation requirements applicable to life and health insurance companies.

I have examined the actuarial assumptions and actuarial methods used in determining reserves, actuarial liabilities and related balance sheet items listed below, as shown in the Annual Statutory Statement of MPG, as prepared for filing with the State of Maine officials, as of December 31, 2011.

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|--|---------------|
| Claims unpaid (as adjusted) | \$ 12,275,829 |
| Accrued medical incentive pool and bonus amounts | \$ 175,000 |
| Unpaid claims adjustment expenses | \$ 251,921 |

In making my determination, I have relied upon the accuracy of listings, summaries and other relevant data prepared by MPG. Maine's Bureau of Insurance (MBI) has verified the accuracy and completeness of this data. I have also relied upon certain testing conducted by the MBI. In other respects, my examination included such review of the actuarial assumptions and actuarial methods and such tests of the actuarial calculations as I considered necessary. If the underlying data or information is inaccurate or incomplete, the results of my analysis may likewise be inaccurate or incomplete.

In my opinion, the amounts carried in the balance sheet on account of the actuarial items identified above:

- i. Are in accordance with accepted actuarial standards consistently applied and are fairly stated in accordance with sound actuarial principles;
- ii. Are based on actuarial assumptions relevant to contract provisions and appropriate to the purpose for which the statement was prepared;
- iii. Meet the requirements of the Insurance Laws and regulations of the state of Maine and are at least as great as the minimum aggregate amounts required by any state;
- iv. Make a good and sufficient provision for all unpaid claims and other actuarial liabilities of the organization under the terms of its contracts and agreements;
- v. Are computed on the basis of assumptions and methods consistent with those used in computing the corresponding items in the annual statement of the preceding year-end; and
- vi. Include appropriate provision for all actuarial items that ought to be established.

The Underwriting and Investment Exhibit-Part 2B was reviewed for reasonableness and consistency with the applicable Actuarial Standards of Practice. Actuarial methods, considerations, and analyses used in forming my opinion conform to the relevant Standards of Practice as promulgated from time

to time by the Actuarial Standards Board, which standards form the basis of this statement of opinion.

To the best of my knowledge, there have been no material changes from the applicable date of the financial statement to the date of the rendering of this opinion which shall be considered in reviewing this opinion.

I have not examined the assets of MPG and I have formed no opinion as to their validity or suitability of these assets. My opinion assumes that all liabilities are backed by valid assets which have suitable maturities and adequate liquidity to meet cash flow requirements.

It should be emphasized that certain actuarial liabilities referred to in this Statement of Opinion are estimates. The exact liabilities will only be determinable after a sufficient passage of time permits the settlement of potential payments under the inforce contract.

This opinion has been prepared only for the purpose of complying with the laws and regulations which require it. This opinion is only for the use of the Maine Bureau of Insurance. It is not intended and may not be appropriate for any other use.



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Member, American Academy of Actuaries
September 24, 2012

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